



**Second Quarter Report 2012
For the period ended June 30, 2012**

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Custodian
U.S. Bank N.A.

Auditor
BKD LLP

Credit Rating



1600 Broadway, Suite 1100 ♦ Denver, CO 80202
303-296-6340 ♦ 800-541-2953
www.csafe.org

CSAFE SUMMARY

- ◆ Colorado Surplus Asst Fund Trust (“CSAFE”) is a local government investment pool trust fund organized under C.R.S. §24-75-701, et seq., registered as such with the Colorado Securities Commissioner pursuant to the Local Government Investment Pool Trust Fund Administration and Enforcement Act, C.R.S. §11-51-901, et seq. As such a trust, CSAFE pools and invests the funds of Colorado local government participants within the investment policies and limitations set forth in CSAFE’s Indenture of Trust and C.R.S. §24-75-601, et seq. Participants include municipalities, counties, school districts and special districts.
- ◆ CSAFE invests primarily in United States Treasuries, United States Agencies, Primary Dealer Repurchase Agreements (collateralized at 102%), highly rated commercial paper (with short term ratings of A-1 or better), AAAM rated money market funds, highly rated corporate bonds and Colorado Depositories (with short term ratings of A-1 or better) in which the deposits are collateralized at 102% of market value under the provisions of the Public Depository Protection Act.
- ◆ CSAFE is rated AAAM by the Standard & Poor’s Corporation.
- ◆ With the exception of certain floating rate securities, all securities purchased shall not exceed a maturity greater than 397 days.
- ◆ The weighted average maturity of the portfolio shall not exceed 60 days.
- ◆ CSAFE seeks to maintain, but does not guarantee, a constant net asset value at \$1.00 per share.
- ◆ The Investment Advisor and Administrator is Davidson Fixed Income Management, Inc.

DISCLOSURE STATEMENT

As Chairman of the CSAFE Board of Trustees, I hereby attest that CSAFE is in compliance with the provisions of Part 7, Article 75 Title 24, C.R.S., and all other applicable laws and regulations. Additionally, I attest that the Commissioner and the Board of Trustees consent to the disclosure of such information by Securities Commissioner as provided for in Section §11-51-908, C.R.S.



Gerry Schulte, Evergreen Metropolitan District
Chairman of the Board of Trustees, CSAFE



For the period ended June 30, 2012

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2012	6/30/2012	9/30/2012	12/31/2012	
Gross Investment Income	\$695,685	\$1,089,586			\$1,785,271
Expenses					
Audit Fees	27,500	3,750			31,250
Activity & Transaction Fees	6,868	4,240			11,108
Admin/Advisory Fees	241,668	343,777			585,445
Association Dues	1,145	425			1,570
Board Expenses	3,697	5,694			9,391
Custodial Fees	24,856	28,635			53,491
Insurance	-	-			-
Interest	-	-			-
Internet/Web Page	4,935	6,398			11,333
Legal Fees	165	1,462			1,627
Miscellaneous Credits	-	-			-
Miscellaneous Expenses & Fees	11,880	39,291			51,171
Rating Agency Fee	-	-			-
Total	322,714	433,672			756,386
Net Investment Income	\$372,971	\$655,914			\$1,028,884

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	973,172,816	1,343,213,099		2,316,385,914
Shares Redeemed	(552,587,952)	(1,022,639,925)		(1,575,227,877)
Net Change in Share Transactions	\$420,584,864	\$320,573,174		741,158,037
Investment activities:				
Net Investment Income	372,971	655,914		1,028,884
Income Adjustment	(4,674)	4,674		
Net Change in Assets	\$420,953,160	\$321,233,761		\$742,186,921
Net Assets at Beginning of Period	\$788,814,928	\$1,209,768,088		\$788,814,928
Net Assets at End of Period	\$1,209,768,088	\$1,531,001,849		\$1,531,001,849

STATEMENT OF NET ASSETS

Assets				
Investments in securities				
Corporate floating note	36,439,888	65,084,489		
U.S. government agencies	252,010,447	292,534,258		
Commercial paper	599,417,794	809,798,577		
Total investment in securities	887,868,129	\$1,167,417,324		
Cash and cash equivalents	318,020,884	360,042,376		
Other assets				
Contribution Receivable	2,700,319	2,700,412		
Accrued Interest	1,266,218	760,324		
Primary Fund Receivable		212,727		
Receivable - Other	32,120	38,452		
Total Assets	1,209,887,670	\$1,531,171,614		
Liabilities				
Accrued expenses	119,582	169,765		
Net assets applicable to shares outstanding	\$1,209,768,088	\$1,531,001,849		

PORTFOLIO ASSETS

Security Description	S&P Credit Rating		Yield	Maturity	Cost	Book Value	Market Value ⁽¹⁾	% of Assets
	Short-Term	Long-Term						
U.S. Agencies								
FFCB FRN	A-1+/P-1	AAA/Aaa	0.260%	8/28/2013	9,998,500.00	9,998,833.08	10,002,700.00	0.65%
FFCB FRN	A-1+/P-1	AAA/Aaa	0.261%	12/13/2012	20,003,980.00	20,000,898.40	20,010,000.00	1.31%
FFCB FRN	A-1+/P-1	AAA/Aaa	0.280%	7/10/2013	49,968,100.00	49,979,214.94	50,029,000.00	3.26%
FFCB FRN	A-1+/P-1	AA+/Aaa	0.260%	8/28/2013	14,997,727.50	14,998,243.22	15,004,050.00	0.98%
FFCB FRN	A-1+/P-1	AAA/Aaa	0.196%	3/1/2013	14,999,250.00	14,999,506.71	15,058,729.00	0.98%
FFCB FRN	A-1+/P-1	AA+/Aaa	0.306%	6/14/2013	9,999,000.00	9,999,246.75	10,017,000.00	0.65%
FFCB FRN	A-1+/P-1	AA+/Aaa	0.196%	3/1/2013	19,997,200.00	19,997,899.06	19,961,571.00	1.31%
FFCB FRN	A-1+/P-1	AA+/Aaa	0.200%	8/6/2013	25,000,000.00	25,000,000.00	24,991,750.00	1.63%
FHLB FRN	A-1+/P-1	AAA/Aaa	0.150%	7/19/2012	39,995,936.00	39,999,800.10	40,000,800.00	2.61%
FHLB FRN	A-1+/P-1	AA+/Aaa	0.140%	5/15/2013	30,000,000.00	30,000,000.00	29,996,700.00	1.96%
FHLB FRN	A-1+/P-1	AA+/Aaa	0.270%	3/6/2014	4,999,550.00	4,999,551.46	4,997,850.00	0.33%
FHLMC FRN	A-1+/P-1	AAA/Aaa	0.340%	1/10/2013	40,068,000.00	40,023,435.70	40,030,400.00	2.61%
FNMA FRN	A-1+/P-1	AA+/Aaa	0.246%	3/14/2013	12,538,384.45	12,537,563.37	12,546,782.90	0.82%
Total					292,565,628	292,534,193	292,647,333	19.13%
Commercial Paper ⁽⁴⁾								
Australia & New Zealand Banking Group	A-1+/P-1	n/a	0.331%	11/19/2012	14,975,525.00	14,980,612.50	14,960,850.00	0.98%
Australia & New Zealand Banking Group	A-1+/P-1	n/a	0.482%	3/19/2013	34,875,400.00	34,878,200.00	34,774,950.00	2.28%
Bank of Nova Scotia NY	A-1+/P-1	n/a	0.411%	11/20/2012	4,984,625.00	4,991,913.89	4,986,900.00	0.33%
Bank of Nova Scotia NY	A-1+/P-1	n/a	0.411%	11/23/2012	4,984,625.00	4,991,743.08	4,986,600.00	0.33%
Bank of Nova Scotia NY	A-1+/P-1	n/a	0.351%	11/30/2012	4,986,875.00	4,992,811.11	4,983,850.00	0.33%
Bank of Nova Scotia NY	A-1+/P-1	n/a	0.361%	8/6/2012	14,972,700.00	14,994,800.00	14,994,600.00	0.98%
Bank of Nova Scotia NY	A-1+/P-1	n/a	0.436%	10/1/2012	4,984,110.42	4,994,441.87	4,992,800.00	0.33%
Bank of Nova Scotia NY	A-1+/P-1	n/a	0.411%	10/9/2012	9,970,047.22	9,988,611.11	9,984,300.00	0.65%
Bank of Nova Scotia NY	A-1+/P-1	n/a	0.351%	1/11/2013	21,944,388.89	21,958,505.56	21,901,000.00	1.43%
Bank of Tokyo Mitsubishi UFJ NY	A-1/P-1	n/a	0.541%	12/21/2012	39,890,200.00	39,898,200.00	39,852,800.00	2.61%
Baylor University	A-1+/NR	n/a	0.200%	7/10/2012	14,989,500.00	14,999,250.00	14,999,100.00	0.98%
Commonwealth Bank Australia	A-1+/P-1	n/a	0.300%	10/31/2012	29,954,000.00	29,989,500.00	29,932,500.00	1.96%
Commonwealth Bank Australia	A-1+/P-1	n/a	0.250%	10/15/2012	9,992,500.00	9,992,638.89	9,983,400.00	0.65%
Ford Credit Auto Receivables (FCAR)	A-1+/P-1	n/a	0.491%	9/4/2012	3,989,818.89	3,989,818.89	3,956,673.60	0.26%
Ford Credit Auto Receivables (FCAR)	A-1+/P-1	n/a	0.501%	9/4/2012	31,925,333.33	31,977,753.35	32,013,086.40	2.09%
Ford Credit Auto Receivables (FCAR)	A-1+/P-1	n/a	0.451%	10/1/2012	13,771,365.00	13,784,130.00	13,780,128.00	0.90%
Ford Credit Auto Receivables (FCAR)	A-1+/P-1	n/a	0.431%	11/20/2012	10,377,267.33	10,382,360.44	10,372,752.00	0.68%
Ford Credit Auto Receivables (FCAR)	A-1+/P-1	n/a	0.431%	12/18/2012	12,672,695.00	12,674,211.94	12,654,153.00	0.83%
General Electric Capital Corp	A-1+/P-1	n/a	0.341%	8/22/2012	3,494,050.00	3,498,281.11	3,498,180.00	0.23%
General Electric Capital Corp	A-1+/P-1	n/a	0.280%	10/1/2012	14,982,383.33	14,989,286.66	14,978,400.00	0.98%
General Electric Capital Corp	A-1+/P-1	n/a	0.371%	12/19/2012	24,953,750.00	24,956,062.50	24,909,000.00	1.63%
National Australia Funding DE	A-1+/P-1	n/a	0.391%	7/5/2012	13,973,003.33	13,999,393.33	13,999,720.00	0.91%
National Australia Funding DE	A-1+/P-1	n/a	0.341%	8/2/2012	24,956,791.67	24,992,444.45	24,992,000.00	1.63%
National Australia Funding DE	A-1+/P-1	n/a	0.305%	10/9/2012	19,969,161.11	19,963,055.55	19,968,600.00	1.30%
National Australia Funding DE	A-1+/P-1	n/a	0.300%	11/13/2012	10,087,290.83	10,088,637.50	10,074,851.00	0.66%
National Bank of Canada NY	A-1/P-1	n/a	0.331%	8/23/2012	4,991,704.17	4,997,570.83	4,997,350.00	0.33%
National Bank of Canada NY	A-1/P-1	n/a	0.321%	9/7/2012	27,954,702.22	27,983,075.55	27,975,640.00	1.83%
Nationwide Life Insurance Company	A-1/P-1	n/a	0.230%	7/2/2012	16,843,170.45	16,844,892.38	16,845,000.00	1.10%
Nationwide Life Insurance Company	A-1/P-1	n/a	0.250%	7/11/2012	16,621,998.26	16,623,845.48	16,623,836.25	1.09%
Nationwide Life Insurance Company	A-1/P-1	n/a	0.230%	7/18/2012	13,997,406.11	13,998,479.44	13,998,320.00	0.91%
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.360%	7/30/2012	6,993,700.00	6,997,970.00	6,998,460.00	0.46%
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.360%	8/3/2012	14,986,200.00	14,995,050.00	14,995,050.00	0.98%
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.350%	8/29/2012	14,986,583.33	14,991,395.83	14,991,000.00	0.98%
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.160%	7/6/2012	22,999,284.44	22,999,488.89	22,999,310.00	1.50%
Suncorp Metway Ltd.	A-1/P-1	n/a	0.561%	7/11/2012	8,990,200.00	8,998,600.00	8,999,370.00	0.59%
Suncorp Metway Ltd.	A-1/P-1	n/a	0.300%	7/25/2012	13,996,616.67	13,997,200.00	13,997,480.00	0.91%
Suncorp Metway Ltd.	A-1/P-1	n/a	0.601%	9/24/2012	39,939,333.33	39,943,333.33	39,956,000.00	2.61%
Toronto Dominion Holdings	A-1+/P-1	n/a	0.341%	3/15/2013	9,974,688.90	9,975,727.79	9,936,700.00	0.65%
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.361%	7/30/2012	3,992,760.00	3,998,840.00	3,999,120.00	0.26%
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.420%	8/22/2012	3,492,650.00	3,497,876.67	3,498,180.00	0.23%
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.441%	9/4/2012	4,489,550.00	4,496,425.00	4,496,220.00	0.29%
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.421%	9/17/2012	3,990,713.33	3,998,360.00	3,995,960.00	0.26%
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.381%	10/22/2012	7,984,124.48	7,990,457.80	7,985,840.00	0.52%
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.371%	10/30/2012	5,988,715.00	5,992,538.33	5,988,600.00	0.39%
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.401%	11/7/2012	6,985,222.22	6,989,986.67	6,983,340.00	0.46%
Union Bank	A-1/P-1	n/a	0.521%	8/1/2012	19,947,133.33	19,997,988.89	19,915,418.40	1.30%
Union Bank	A-1/P-1	n/a	0.531%	7/11/2012	10,970,526.11	10,998,380.56	10,999,230.00	0.72%
Union Bank	A-1/P-1	n/a	0.540%	8/24/2012	4,986,350.00	4,995,950.00	4,997,300.00	0.33%
Union Bank	A-1/P-1	n/a	0.501%	8/1/2012	3,991,333.33	3,991,333.33	4,079,061.60	0.26%
Union Bank	A-1/P-1	n/a	0.461%	9/4/2012	7,984,155.56	7,993,355.58	7,993,280.00	0.52%
Union Bank	A-1/P-1	n/a	0.330%	8/3/2012	9,991,566.67	9,996,975.00	9,996,700.00	0.65%
Westpac Banking Corporation	A-1+/P-1	n/a	0.512%	12/17/2012	39,847,566.67	39,904,233.34	39,856,400.00	2.60%
Westpac Banking Corporation	A-1+/P-1	n/a	0.492%	1/17/2013	19,925,411.11	19,941,115.29	19,907,200.00	1.30%
Westpac Banking Corporation	A-1+/P-1	n/a	0.492%	2/1/2013	9,713,637.92	9,721,467.71	9,698,422.50	0.63%
Total					774,214,410	774,798,577	774,234,983	50.59%

Other Commercial Paper

Commonwealth Bank Australia	A-1+/P-1	n/a	0.271%	11/9/2012	35,000,000.00	35,000,000.00	35,000,000.00	2.29%
JP Morgan -CP O/N Sweep	A-1/P-1	AA-/A1	0.200%	7/1/2012	33,799,319.80	33,799,319.80	33,799,319.80	2.21%
US Bank NA CP O/N Sweep	A-1/P-1	A+/Aa2	0.200%	7/1/2012	44,947,233.09	44,947,233.09	44,947,233.09	2.94%
Total					113,746,553	113,746,553	113,746,553	7.43%

Corporate Notes

General Electric Capital Corp	A-1+/P-1	AA+/Aa2	0.640%	10/19/2012	12,445,200.00	12,164,171.19	12,238,980.00	0.79%
General Electric Capital Corp	A-1+/P-1	AA+/Aa2	0.417%	10/19/2012	5,163,350.00	5,074,021.75	4,999,020.00	0.33%
General Electric Capital Corp	A-1+/P-1	AA+/Aa2	0.485%	1/8/2013	7,130,970.00	7,084,201.90	7,096,794.90	0.46%
General Electric Capital Corp	A-1+/P-1	AA+/Aa2	0.506%	1/8/2013	4,588,875.00	4,553,460.71	4,537,295.10	0.30%
Metlife Global Funding	A-1+/P-1	AA-/Aa3	0.460%	9/17/2012	2,171,271.05	2,155,957.98	2,153,987.55	0.14%
New York Life Global Funding	A-1+/P-1	AA+/Aaa	0.354%	10/16/2012	5,159,450.00	5,071,685.50	5,062,350.00	0.33%
New York Life Global Funding	A-1+/P-1	AA+/Aaa	0.356%	12/14/2012	6,723,147.20	6,711,846.41	6,697,924.75	0.44%
TIAA Global Markets	A-1+/P-1	AA+/Aa1	0.326%	10/10/2012	16,284,972.00	16,261,894.39	16,230,081.00	1.06%
Total					59,667,235	59,077,240	59,016,433	3.86%

Corporate Notes - FDIC

CitiBank NA FRN	A-1+/P-1	AA+/Aaa	0.260%	11/15/2012	4,006,600.00	4,004,389.32	4,004,200.00	0.26%
General Electric Capital Corp FRN	A-1+/P-1	AA+/Aaa	0.468%	12/21/2012	2,004,000.00	2,002,859.50	2,001,580.00	0.13%
Total					6,010,600	6,007,249	6,005,780	0.41%

Collateralized Bank Deposits ⁽²⁾

JP Morgan - Money Market Savings	A-1/P-1	AA-/A1	0.170%	7/1/2012	55,931,146.44	55,931,146.44	55,931,146.44	3.65%
JP Morgan -Repo O/N Sweep	A-1/P-1	AA-/A1	0.200%	7/1/2012	50,005,657.54	50,005,657.54	50,005,657.54	3.27%
JP Morgan -Stable Balance Account	A-1/P-1	AA-/A1	0.300%	7/1/2012	160,136,166.67	160,136,166.67	160,136,166.67	10.46%
US Bank - Checking	A-1/P-1	A/Aa3	0.050%	7/1/2012	24,816.85	24,816.85	24,816.85	0.00%
US Bank - DDA	A-1/P-1	A/Aa3	0.050%	7/1/2012	15,187,969.78	15,187,969.78	15,187,969.78	0.99%
Wells Fargo High Yield Savings	A-1/P-1	AA-/A1	0.000%	7/1/2012	9,813.17	9,813.17	9,813.17	0.00%
Total					281,295,570	281,295,570	281,295,570	18.39%

Money Market Funds ⁽⁴⁾

AIM Gov't & Agency	AAAm/Aaa	N/A	0.020%	7/1/2012	252.50	252.50	252.50	0.00%
AIM Premier US Government	AAAm/Aaa	N/A	0.020%	7/1/2012	2,700,456.28	2,700,456.28	2,700,456.28	0.18%
The Primary Fund ⁽³⁾		N/A	0.000%	7/1/2012	-	212,726.96	-	0.00%
Total					2,700,709	2,913,436	2,700,709	0.20%

Expenses

Accrued Expenses					(169,765)	(169,765)	(169,765)	-0.01%
Total					(169,765)	(169,765)	(169,765)	-0.01%

Total Assets ⁽⁵⁾

Total Assets ⁽⁵⁾	\$ 1,530,030,940	\$ 1,530,203,053	\$ 1,529,477,596	100.00%
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Net Asset Value Per Share**\$1.00****Notes:**

- 1) All of the securities held in the portfolio are valued each week using a third party pricing service (U.S. Bank N.A.). Other assets in the portfolio such as repurchase agreements, money market funds and bank deposits are valued at cost.
- 2) In October 2008, the FDIC insurance limit was raised to \$250,000. All bank deposits in amounts greater than \$250,000 were collateralized according to the regulations of the Public Deposit Protection Act.
- 3) Effective November 24, 2010 Crederain Fund Services LLC became the liquidating services agent for The Reserve Primary Money Market Fund ("Reserve") and the fund changed its name to The Primary Fund. Crederian Fund Services LLC will continue the process of liquidating the portfolio of The Primary Fund. As of June 30, 2011 CSAFE had received a total of 99.04% of its principal balance outstanding in the Reserve on 9/15/08.
- 4) Commercial paper and money market funds are not assigned long-term credit ratings.
- 5) The information contained in this statement is unaudited. Audited financial statements are completed annually and are available at www.csafe.org.

QUARTERLY SUMMARY

Net Assets	\$1,531,001,849
30 Day Yield	0.20%
7 Day Yield	0.21%
Expense Ratio	0.1140%
Weighted Avg Maturity (days)	57
Weighted Avg Life (days)	112
Net Asset Value Per Share	\$1.00